

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
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(520) 628-6595

UNLICENSED BUSINESS ESTABLISHMENT APPLICATION FOR EXEMPTION

THIS EXEMPTION, IF APPROVED, IS VALID FOR ONLY 1 YEAR (12 MONTHS) FROM THE DATE OF APPROVAL. A NEW APPLICATION FOR EXEMPTION MUST BE SUBMITTED EACH YEAR. NEW APPLICATIONS MUST BE SUBMITTED PRIOR TO EXPIRATION OF THE EXISTING EXEMPTION FOR UNINTERRUPTED EXEMPT STATUS.

Date: _____

I, _____ doing business as _____
Owner's Name Name of Business Establishment

Establishment Address City County Zip Code Establishment Phone

hereby request permission from the Director of The Department of Liquor Licenses and Control to allow my patrons to consume **allowable** alcoholic beverages on my unlicensed premises.

I have **received** and **read** a copy of the Rules governing **A.R.S. Section 4-244.05**.

I declare that my business is one that qualifies for exemption under **R19-1-315** and I claim exemption as one of the following as defined by **R19-1-315.6**:

- ☐ Small Restaurant (**R19-1-315.6.a**) ☐ Association (**R19-1-315.6.c**)
☐ Catering Establishment (**R19-1-315.6.b**) ☐ Business Establishment Private Social Function (**R19-1-315.6.d**)

I hereby agree to adhere to the Director's Rules **R19-1-315** and the additional Rules as outlined in **A.R.S. 4-244.05**.

I further understand that any violations of these rules may result in a fine and civil penalty as prescribed by **A.R.S. Section 4-244.05.C**.

Applicant's Address City State Zip

(_____) (_____) _____
Contact Phone Numbers: Business Residence

I, _____, being first duly sworn upon oath, hereby depose, swear and declare
(Print full name)

that I am the APPLICANT filing this application. I have read this declare under penalty of perjury, that I am the APPLICANT making foregoing application and that the application has been read and that the contents thereof and all statements contained therein are true, correct and complete.

State of _____ County of _____

The foregoing instrument was acknowledged before me this

(Signature of Applicant)

_____ day of _____, _____
Day Month Year

My commission expires on: _____
(Signature of NOTARY PUBLIC)

Do not write or make any marks in this box **FOR DEPARTMENT USE ONLY**

☐ APPROVED EXPIRATION DATE: _____ BY: _____
☐ DISAPPROVED DATE: _____
FILE # UL: _____

Unlicensed business establishment or premises; unlawful consumption of spirituous liquor; civil penalty

- A. A person owning, operating, leasing, managing or controlling a business establishment or business premises which are not properly licensed pursuant to this title and in which any of the following occur shall not allow the consumption of spirituous liquor in the establishment or on the premises:
1. Food or beverages are sold.
 2. Entertainment is provided.
 3. A membership fee or a cover charge for admission is charged.
 4. A minimum purchase or rental requirement for goods or services is charged.
- B. A person shall not consume spirituous liquor in a business establishment or on business premises which are not properly licensed pursuant to this title in which food or beverages are sold, entertainment is provided, a membership fee or a cover charge for admission is charged or a minimum purchase or rental requirement for goods or services is charged.
- C. In addition to or in lieu of other fines or civil penalties imposed for a violation of this section or any other action taken by the Board or Director, the Board or Director may conduct a hearing subject to the requirements of section 4-210, subsection F to determine whether a person has violated subsection A of this section. If the Board or Director determines, after a hearing, that a person has violated subsection A of this section the Board or Director may impose a civil penalty of not less than two hundred nor more than five thousand dollars for each offense. A civil penalty imposed pursuant to this section by the director may be appealed to the Board.
- D. The Board or Director may adopt rules authorizing and prescribing limitations for the possession or consumption of spirituous liquor at establishments or premises falling within the scope of subsections A and B of this section. Rules adopted pursuant to this subsection shall authorize the possession or consumption of spirituous liquor only at establishments or premises which permit the consumption or possession of minimal amounts of spirituous liquor and which meet both of the following criteria:
1. The possession or consumption of spirituous liquor is permitted only as an incidental convenience to the customers of the establishment or premises.
 2. The possession or consumption of spirituous liquor is permitted only within the hours of lawful sale as prescribed in this title, and is limited to no more than ten hours per day.
- E. Any rules adopted pursuant to subsection D of this section shall prescribe:
1. The maximum permitted occupancy of an establishment or premises.
 2. The hours during which spirituous liquor may be possessed or consumed.
 3. The amount of spirituous liquor that a person may possess or consume.
 4. That the Director, the Director's Agents and any peace officer empowered to enforce the provisions of this title may, in enforcing the provisions of this title, visit and inspect the establishment or premises during the business hours of the premises or establishment.

- F. Any rules adopted pursuant to subsection D of this section may prescribe separate classifications of establishments or premises at which spirituous liquor may be possessed or consumed and may establish any other provisions relating to the possession or consumption of spirituous liquor at establishments or premises falling within the scope of subsections A and B of this section which are necessary to maintain the health and welfare of the community.
- G. This section does not apply to establishments or premises that are not licensed pursuant to this title and on which occurs the consumption of spirituous liquor if the establishment or premises are owned, operated, leased, managed or controlled by the United States, this state, a city or county of this state.

R19-1-315

EXEMPTIONS TO A.R.S. §4-244.05

Small restaurants, catering establishments, associations, and business establishments hosting private social functions are exempt from A.R.S. §4-244.05 if the business establishment meets all of the following conditions:

1. The possession or consumption of spirituous liquor on the premises is limited to wine and beer and is permitted as an incidental convenience to patrons of the business establishment.
2. The business establishment limits possession or consumption of wine or beer on the premises to the hours between 12 p.m. and 10 p.m.
3. The business establishment or premises allows a patron to possess no more than 24 ounces of beer per person, or 6 ounces of wine per person to be consumed on the premises.
4. The business establishment notifies the Department on a form prescribed by the Department that it permits patrons to consume or possess beer or wine on the premises.
5. The business establishment and/or its proprietor, manager, comptroller, controlling person, or employee shall comply with A.R.S. Title 4, Chapters 1, 2, and 3 and A.A.C. Title 19, Chapter 1.
6. The business establishment and/or its proprietor, manager, comptroller, controlling person, or employee shall not permit the number of patrons within the business establishment to exceed the maximum occupancy limitations. The maximum occupancy limitations are:
 - a. Small restaurant: shall not exceed 40 patrons.
 - b. Catering establishment: shall not exceed 300 patrons.
 - c. Associations: shall not exceed 300 patrons.
 - d. Business establishments hosting private social functions: shall not exceed 300 patrons.
7. If any clause, sentence, subsection, Section, or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, subsection, Section, or part thereof directly involved in the controversy in which such judgment shall have been rendered.